

Minutes of Meeting  
Health Services Council  
Project Review Committee-II

DATE: 13 November 2008 TIME: 2:30 PM

LOCATION: Health Policy Forum  
Department of Health

ATTENDANCE:

Committee-II: Present: Raymond C. Coia, Esq., Gary Gaube, Robert Hamel, R.N., Denise Panichas, Robert J. Quigley, D.C., (Chair)

Excused: Victoria Almeida, Esq. (Vice Chair), Joseph L. Dowling, M.D., Sen. Catherine E. Graziano, R.N., Ph.D., Reverend David Shire (Secretary)

Not Present: Wallace Gernt, Maria Gil

Staff: Valentina D. Adamova, MBA, Michael K. Dexter, MPA, Helen Drew, Joseph G. Miller, Esq., Stacey Pabst (intern), Michael Varadian, JD, MBA

Public: (Attached)

1. Call to Order, Approval of Minutes, Conflict of Interest Forms and Extension for the Minutes Availability

The meeting was called to order at 2:40 PM. The Chair noted that conflict of interest forms are available to any member who may have a conflict. Minutes of Project Review Committee-II meetings of 6 December 2007, 19 August 2008 and 25 September 2008 were approved as submitted. A motion was made, seconded and passed by a vote of five in favor and none opposed (5-0) that the availability of minutes for this meeting be extended beyond the time frame as provided for under the Open Meetings Act. Those members voting in favor were: Coia, Gaube, Hamel, Panichas, Quigley.

2. General Order of Business

Mr. Gaube noted for the record that he is recusing himself from both of the applications on the agenda (RHRI, LLC and Sleep HealthCenters, LLC).

The first item on the agenda was the application of **RHRI, LLC** [RehabCare Hospital Holdings, LLC- 81% (subsidiary of RehabCare Group, Inc.) & Landmark Medical Center mastership Estate-19% (subsidiary of Landmark Health Systems, Inc. Mastership Estate)] for a change in effective control of Rehabilitation Hospital of Rhode Island, a rehabilitation center in North Smithfield.

Ms. Rocha, legal counsel to the applicant, introduced the representatives of the applicant. She noted that Mr. Savage has recently been appointed the Special Master for Northern Rhode Island Rehab Management Associates, LP. Mr. Savage discussed the role of the application and its impact on the

future viability of Landmark Medical Center (LMC). He addressed the future of the Rehabilitation Hospital of Rhode Island.

The Chair asked the applicant to provide the position description for the Medical Director. Staff asked the applicant to identify the amount of equity financing from RehabCare Hospital Holdings, LLC (RHH). The applicant stated that RHH has sufficient funds to finance its 81% interest with equity. Staff requested that the applicant confirm that in writing.

The applicant further reviewed the timing and the reasons for the urgency in this matter. Staff noted that to accommodate the expeditious processing of the application, the next meeting would be scheduled for 4 December 2008.

The next item on the agenda was the application of **Sleep HealthCenters, LLC** for initial licensure as an Organized Ambulatory Care Facility to operate a sleep medicine center at 175 Nate Whipple Highway in Cumberland.

Mr. Weinberg, legal counsel to the applicant, provided a handout and reviewed the negotiations that have taken place with LMC. Mr. Charest, President of LMC, confirmed the applicant's statement regarding future meeting dates between the two parties.

Mr. Valentine discussed the proposal. Pursuant to discussion regarding accreditation, the applicant agreed as a condition of approval to attain accreditation within 2 years of licensure and provide evidence of provisional certification.

A motion was made, seconded and passed by a vote of four in favor, none opposed, and one recusal (4-0-1) to recommend that the application be approved subject to the conditions of approval. Those members voting in favor were: Coia, Hamel, Panichas, Quigley. Those members recusing were: Gaube.

There being no further business the meeting was adjourned at 3:40 PM.

Respectfully submitted,

Valentina D. Adamova, MBA  
Health Economics Specialist